EMPLOYMENT AGREEMENT BY AND BETWEEN THE MAYOR AND CITY COUNCIL OF BALTIMORE AND DR. ANTHONY W. BATTS

THIS EMPLOYMENT AGREEMENT ("Agreement") is entered in this ____ day of ______, 2012, by and between Dr. Anthony W. Batts ("Dr. Batts") and the Mayor and City Council of Baltimore, a municipal corporation of the State of Maryland ("City"), and sets out the terms of Dr. Batts's employment as Police Commissioner for Baltimore City. As required by § 16-5(a), Public Local Laws of Baltimore City, this Agreement is subject to the City Council's confirmation of Dr. Batts as Police Commissioner.

RECITALS

WHEREAS, the City desires to immediately employ Dr. Batts as the Police

Commissioner of Baltimore City and thereafter to appoint him to a full term as Police

Commissioner consistent with § 16-5, Public Local Laws of Baltimore City; and

WHEREAS, Dr. Batts desires to serve as the appointed Police Commissioner of

WHEREAS, Dr. Batts desires to serve as the appointed Police Commissioner of Baltimore City.

NOW THEREFORE, THIS AGREEMENT WITNESSETH: That in consideration of the premises, terms and conditions contained herein, and other good and valuable consideration, the adequacy of which is acknowledged by the parties, it is agreed as follows:

I. EMPLOYMENT

The City agrees to employ Dr. Batts as the Police Commissioner for Baltimore City ("Commissioner"). The parties specifically aeknowledge the provisions of § 16-5(a), Public

Local Laws of Baltimore City, and assert and agree that Dr. Batts is qualified to serve as Police Commissioner.

II. DUTIES

- A. During the term of his service as Commissioner, Dr. Batts shall have the authority to exercise the duties and responsibilities of the Police Commissioner as detailed in Subtitle 16, Public Local Laws of Baltimore City.
- B. As Commissioner, in addition to performing all duties as set forth in Subtitle 16, Public Local Laws of Baltimore City, Dr. Batts shall report directly to the Mayor. Dr. Batts shall be charged with the effective and impartial enforcement of all applicable laws and regulations of the City and of the State of Maryland for the protection of all citizens who live or work in the City or who visit the City.
- C. As Commissioner, Dr. Batts's duties and responsibilities shall include planning, organizing, directing, staffing and coordinating police operations. He shall be responsible for reporting the operational performance of the Police Department and shall assist in the preparation of the Police Department's budget. Dr. Batts shall formulate General Orders and other rules and procedures necessary for the effective operation of the Police Department.
- D. Dr. Batts shall devote his entire professional time and effort to his service as

 Commissioner and shall not engage in any outside paid employment, except as may be approved
 and authorized in advance and in writing by the Mayor or her representative.
- E. During the term of this Agreement, Dr. Batts shall have an annual comprehensive physical examination by a licensed physician approved by the Mayor or her designee. The City shall pay the cost of such examination. Any resulting medical information about Dr. Batts shall remain confidential and not be subject to disclosure, except as may be required by law. The City

shall advise Dr. Batts in advance of any planned disclosure so as to afford Dr. Batts the opportunity to protect the confidential nature of any medical report. Reports of the annual examinations shall be delivered only to the Mayor or her designee; such delivery shall not be deemed a waiver of the confidentiality of the report.

III. OTHER TERMS AND CONDITIONS OF EMPLOYMENT

The Mayor may fix any other terms and conditions of employment as she may from time to time determine to be desirable or necessary from time to time, relating to Dr. Batts's performance as Commissioner, provided such terms and conditions are not inconsistent with the terms and conditions of this Agreement and the requirements of Subtitle 16, Public Local Laws of Baltimore City.

IV. TERM

The term of this Agreement shall begin on the date of its approval by the Board of Estimates ("Effective Date") and shall continue for an initial period through June 30, 2014, the terminus of the current term of the Office of Police Commissioner. Thereafter, this Agreement shall continue for a full six (6) year term, from July 1, 2014 through June 30, 2020, as required by § 16-5(a), Public Local Laws of Baltimore City. The Mayor agrees to appoint Dr. Batts to a full six (6) year term.

V. COMPENSATION

A. Base Salary

Dr. Batts's base salary shall be One Hundred Ninety Thousand Dollars

(\$190,000.00) per year, adjusted from time to time by any percentage increase granted to all Police Department officers. The City shall pay the base salary in equal bi-weekly installments.

subject to such payroll and withholding deductions as may be required by law, and other deductions required by this Agreement.

B. Benefits

The City shall reimburse Dr. Batts for relocation costs and expenses to a Baltimore City address in an amount agreed to by the Mayor or her designee and approved by the Board of Estimates. The City shall provide to Dr. Batts the health insurance, life insurance, vacation and other benefits provided to all heads of departments and Cabinet Members associated with the Managerial and Professional Society ("MAPS") collective bargaining unit, or its successor, as contained in the latest version of the Memorandum of Understanding between MAPS and the City, as such as may be amended from time to time. Dr. Batts shall also be entitled to receive at a minimum all benefits and allowances available to other members of the Department's command staff. The City shall bear the full costs of any fidelity or other bonds required of Dr. Batts under any law or ordinance.

Dr. Batts shall also be eligible to participate or continue to participate in the Deferred Compensation Plan offered by the City. Nothing contained in this Agreement shall alter or amend in any way Dr. Batts's status in the Deferred Compensation Plan or the benefits he may be entitled to receive as a result of his participation in the Deferred Compensation Plan.

Further, Dr. Batts shall also be eligible to participate or continue to participate in Fire and Police pension programs (including but not limited to the Deferred Retirement Option Plan) offered by the City. Nothing in this Agreement shall alter or amend any benefits Dr. Batts is entitled to receive as a result of his participation in the Fire and Police pension program.

Further, Dr. Batts shall also be entitled to any "banked" vacation time, and to use it or have it credited as do other employees. Nothing in this Agreement shall alter or amend any vacation benefits Dr. Batts is entitled to receive.

VI. TERMINATION

A. Termination for Just Cause

Dr. Batts recognizes that he may be terminated for "just cause" by the Mayor, aeting on behalf of the City, and nothing in this contract shall affect the rights of the City or of the Mayor in that respect. "Just Cause" for purposes of this section shall be defined as the conduct identified in Section 16-5(e), Public Local Laws of Baltimore City, and, in addition, shall include conduct of the following character:

- (1) Persistent and repetitive dereliction of duty on multiple occasions involving violations of multiple standards of behavior;
- (2) Chronie and excessive use of intoxicants affecting his ability to effectively perform the duties of his office, or conviction of an offense involving the illegal sale or possession of drugs, or conviction of an offense involving the operation of a motor vehicle under the influence of intoxicants; and
- (3) Indietment for commission of a felony or other erime involving moral turpitude or theft.

If the City, through the Mayor, provides Dr. Batts with written notice that he is being terminated for "just eause" as above defined, his right to salary or compensation and his service shall end immediately upon his receipt of such written notice. However, termination for "just cause" shall have no effect on Dr. Batts's continued entitlement to vested benefits,

including but not limited to Deferred Compensation Plan benefits, DROP benefits, and Fire and Police pension benefits.

B. Termination without Cause

Either Dr. Batts or the City may terminate this Agreement at any time without cause by giving forty-five (45) days written notice to the other party.

"Termination without cause" is defined as any basis for termination other than the bases specifically enumerated in Section VI-A of this Agreement as "just cause" termination bases.

If the City terminates this Agreement at any time "without cause," Dr. Batts shall be entitled to \$190,000 as Severance Pay plus a payout of accrued salary and benefits, including vacation and leave time allowed to be paid out at termination. All such payments will be made within thirty (30) days of separation.

VII. RESIGNATION

If Dr. Batts voluntarily resigns prior to the end of the term of this Agreement, he must give the forty-five (45) days written notice required by Section VI-B and shall not be entitled to Severance Pay as detailed in Section VI-B, but shall receive accrued salary and benefits as provided for in Section VI-B.

VIII. PROFESSIONAL DEVELOPMENT

The City shall pay for dues, travel, subsistence expenses incurred by Dr. Batts and/or reimburse Dr. Batts for those expenses he first incurs for conferences, continuing education programs, law enforcement institutes and similar seminars which Dr. Batts deems are necessary for both his professional development and for the good of the Police Department and/or of the City.

The City encourages Dr. Batts's participation in professional organizations and civie organizations related to the job of Police Commissioner and will pay for such participation or reimburse Dr. Batts for expenses he first personally ineurs.

The City encourages Dr. Batts's participation in and appearance at local events and will pay for and/or reimburse Dr. Batts for expenses associated with such appearances, it being the City's and Dr. Batts belief that the Commissioner serves as an ambassador of the City at such functions.

IX. INDEMNIFICATION

The City shall defend, save, hold harmless and indemnify Dr. Batts against any and all eivil claims, lawsuits, causes of action, demand or other eivil legal actions brought against Dr. Batts in his official capacity as Police Commissioner of the City. The City shall pay the amount of any defense, settlement or judgment arising out of such claims or causes of action for conduct within the scope of Dr. Batts's duties as Commissioner.

The City will not be obligated to pay any punitive damages which arise from Dr. Batts's willful misconduct. While the City cannot agree to satisfy punitive damages awards without limitation or qualification, in the unlikely event that any claim against Dr. Batts survives a successful motion to dismiss or for summary disposition filed on behalf of Dr. Batts and goes to a jury and the jury subsequently assesses punitive damages against Dr. Batts, the City's retained counsel will file appropriate post-trial motions seeking to overturn such damages and will exhaust the appropriate appeals within the Maryland court system or to the United States Court of Appeals for the Fourth Circuit at no expense to Dr. Batts. If such appeals are unsuccessful in reversing any award of punitive damages against Dr. Batts and the verdict becomes final, the City Solicitor will then make an independent evaluation of the evidence upon which the verdict

was based and recommend to the Board of Estimates that the City pay the judgment if in the City Solicitor's opinion the evidence does not support or warrant punitive damages under the law of Maryland.

In the event that any eriminal charge arising out of conduct within the scope of Dr.

Batts's duties as Commissioner is filed in a Maryland court against Dr. Batts by a citizen without formal charge by law enforcement or other government authorities, such as and by way of example only, through indictment or warrant, the City shall provide Dr. Batts private counsel at no expense to him to assist in his defense. Nothing herein shall require the City to pay the costs of any criminal defense or any fines or penalties associated with any criminal action or proceeding which results in the conviction of Dr. Batts.

X. MERGER CLAUSE

This Agreement contains the entire agreement between the parties pertaining to the subject Matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written.

XI. AMENDMENTS

This Agreement may be amended only by the mutual consent of all parties. Any amendment must be in writing and executed by all parties. Thereafter, the original Amendment shall be affixed to the original of this Agreement.

XII. WAIVER

Any waiver of any provision of this Agreement shall not be deemed to be a waiver of other or of a subsequent breach, and shall not be construed to be a modification of the terms of this Agreement.

XIII. SEVERABILITY CLAUSE

If any provision or other portion of this Agreement is held unconstitutional, invalid, or unenforceable by a court of competent jurisdiction, it shall be deemed severable and the validity of the remainder of the Agreement shall not be affected by the unconstitutional, invalid, or unenforceable provision or portion.

XIV. RESOLUTION OF DISPUTES

In the event of any dispute involving any provision of this Agreement or any dispute regarding Dr. Batts's employment with the City (with the exception of workers compensation, unemployment insurance or any other matter under the jurisdiction of the Labor Commissioner). including but not limited to claims of wrongful termination or failure to provide benefits, the parties agree to submit such dispute to the jurisdiction of the federal or state courts in Maryland. Venue for the adjudication of any controversy or claims arising out of or related to this Agreement shall be in the Circuit Court for Baltimore City or in the United States District Court for the District of Maryland. The parties agree that before judicial relief is sought, the Mayor and Dr. Batts shall meet face to face in an effort to resolve the dispute.

Alternatively, upon written agreement of both parties, at the time, the parties may submit any such dispute to binding arbitration pursuant to the laws of Maryland and the provisions below.

If the parties are unable to agree on the selection of a neutral arbitrator, the parties shall select a single arbitrator from the Maryland mediation and conciliation service or the American Arbitration-Association-

Arbitration-Association.

Bott! Pactics
The non-prevailing party in any such arbitration (as determined)

bear all costs of the arbitrator and any related costs of arbitration according (50/50) Awg

8/25/2012
1403 hrs

XV. NOTICES

Notices relating to this Agreement shall be effective when hand-delivered or when mailed by certified mail to the following:

To City:

George A. Nilson, City Solicitor

101 City Hall

100 N. Holliday Street Baltimore, Maryland 21202

To Dr. Anthony W. Batts:

Commissioner,

Baltimore City Police Department

601 E. Fayette Street

Baltimore, Maryland 21202

XVI. ENTIRE AGREEMENT

This Agreement shall constitute the entire agreement of the parties respecting the matters set forth herein. No oral agreement, representation or agreement, not expressed herein in writing shall be binding upon or inure to the benefit of the parties or their heirs at law or the personal representative of Dr. Batts.

IN WITNESS WHEREOF, the parties have entered into this Agreement effective as of the day and year first above written.

SIGNATURES ON FOLLOWING PAGE

ATTEST:

MAYOR AND CITY COUNCIL OF BALTIMORE

By: Stephanie Rawfings-Blake, Mayor

WITNESS:

Dr. Anthony W. Batts

Approved as for Form and Legal Sufficiency

Approved by the Board of Estimates:

City Solicitor

Clerk Date

Being page 11 of a 12 page Agreement by and between the Mayor and City Council of Baltimore and Dr. Anthony W. Batts.

DECLARATION OF INTENT

1 Dr. Anthony W. Batts, hereby declare, consistent with the provisions of Article IV, 6(1). Baltimore City Charter, that I intend to become a Baltimore City resident and a Baltimore City registered voter within six (6) months of the date of confirmation of my appointment.

8/29/2012 Date

Dr. Anthony W. Batts